



APPROVAL OF MINUTES OF APRIL 10, 2018 REGULAR MEETING

RESOLVED, that the minutes of the Regular meeting of April 10, 2018 are hereby approved and all actions taken by the Directors present at such meeting, as set forth in such minutes, are hereby in all respects ratified and approved as actions of the Economic Development Corporation.

April 24, 2018

**ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS REGULAR MEETING
TUESDAY, APRIL 10, 2018 – 8:30 A.M.**

BOARD MEMBERS PRESENT: Marsha Bruhn
Kimberly Clayson
Chris Jackson
Jonathan Quarles
Thomas Stallworth

BOARD MEMBERS ABSENT: Maurice Cox (Ex-Officio)
Linda Forte
John Naglick (Ex-Officio)
Matthew Roling
Vacancy (due to William Ritsema's resignation)
Vacancy (due to Monique Claiborne's resignation)

**SPECIAL DIRECTORS
PRESENT:** None

**SPECIAL DIRECTORS
ABSENT:** Emily Black (I-94 Industrial Park Project)
Jon Newton (Waterfront East Development Project)
Frank Taylor (Waterfront East Development Project)
Marvin Thomas (I-94 Industrial Park Project)

OTHERS PRESENT: Cora Capler (DEGC/DBRA)
Razu Choudhury (Metro Valet Parking)
Gay Hilger (DEGC/EDC)
Malinda Jensen (DEGC/EDC)
Jennifer Kanalos (DEGC/EDC)
Glen Long (DEGC/EDC)
Chris McClain (Citizen Detroit)
Rebecca Navin (DEGC/EDC)
Erin Porter (Spackman Mossop Michaels)
Jennifer VanPelt (Metro Valet Parking)



Economic Development Corporation of the City of Detroit

**MINUTES OF THE ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS REGULAR MEETING
TUESDAY, APRIL 10, 2018
DETROIT ECONOMIC GROWTH CORPORATION
500 GRISWOLD, SUITE 2200 - 8:30 A.M.**

CALL TO ORDER

Noting that a quorum was present, Vice Chair Quarles called the Regular meeting of the Economic Development Corporation Board of Directors to order at 8:33 a.m.

GENERAL

Approval of Minutes

Mr. Quarles asked if there were any additions, deletions or corrections to the minutes of the March 14, 2018 Regular Board meeting. With there being no response, the Board took the following action:

On a motion by Mr. Jackson, seconded by Ms. Clayson, Resolution Code EDC 18-04-02-295 was unanimously approved.

Acceptance of Treasurer's Report

Mr. Long reviewed the Treasurer's Report of Receipts and Disbursements for the month of February 2018 and responded to questions. Subsequent to the discussion, the Board took the following action:

On a motion by Mr. Stallworth, seconded by Ms. Bruhn, Resolution Code EDC 18-04-03-224 was unanimously approved.

PROJECTS

East Riverfront: Approval of Parking Management Services for EDC East Riverfront Properties

Ms. Pavelko advised that in 2016, the Detroit Riverfront Conservancy ("DRFC") in partnership with the Economic Development Corporation of the City of Detroit (EDC) and the City of Detroit's Planning and Development Department ("PDD") undertook a 10-month planning engagement in an effort to update the East Riverfront Plan. As a result of this process, the East Riverfront Framework ("Framework") was launched in the Spring of 2017 and several planned investments are underway. These include the \$27 million renovation of the historic Stone Soap Building, \$2 million for Atwater Beach, planning for the expansion of Milliken State Park and construction of the Campau Greenway.

April 10, 2018

The provision of these additional amenities in the East Riverfront District is expected to bring additional visitors and further exacerbate the lack of clean, secure and attractive parking options. Visitors currently park without permission on vacant property or improperly on narrow side streets.

The EDC owns approximately 9 acres along Atwater, adjacent to the planned investment. Currently the properties are unmaintained gravel lots with fencing of various qualities. Long-term it is the intent of the EDC to facilitate urban infill development on these parcels that includes shared structured parking. A request for proposals (RFP) is planned for early summer to secure a qualified developer for the properties. However, construction is not anticipated until the end of 2019 or 2020, given the predevelopment activities that will have to occur.

In the interim, the use of the properties as temporary parking will support existing development projects underway by providing interim parking until shared parking facilities can be constructed. This short-term provision combined with the long-term plan of future development projects that include shared parking facilities will provide a comprehensive parking management solution to address the needs of existing and future projects. In addition, it will result in beautification of the properties that will complement current investments and provide safe and attractive amenities for visitors to the District.

EDC issued a public request for proposals for parking management services in the Fall of 2017. EDC staff recommends the selection of EZ Parking and Metro Valet (the "Operator"). The proposed Operator demonstrated the desired capacity and experience. EDC staff is seeking the Board's approval to negotiate and enter into a short-term service agreement with the proposed Operator to provide parking management services on EDC property. The lease will include the following terms:

- **Property:** Three properties totaling approximately 9 acres. Refer to Exhibit A (attached).
- **Term of Lease:** The term of the lease shall be for a period of one (1) year (the "Initial Term"). The Initial Term shall continue on a quarterly basis.
- **Hours of Operation and Rates:** The Operator shall recommend the appropriate rates and hours subject to approval by EDC staff. The maximum rate will not exceed \$20. The parking adjacent to the Outdoor Adventure Center will be available for free public parking except for during major events such as festivals and concerts. Major events will be determined by EDC staff.
- **General Liability Insurance:** Operator shall maintain insurance at its own expense. Such insurance shall have limits of Two Million Dollars (\$2,000,000.00) per occurrence General Liability Insurance. Each such policy of insurance shall name the EDC as an additional insured.
- **Insurance required when providing valet services:** If or when valet services are required; Operator shall maintain insurance at its own expense. Operator will

obtain One Million Two Hundred Thousand Dollars (\$1,200,000) per occurrence Garage Keepers Liability, One Million Dollars (\$1,000,000) each occurrence General Liability and Four Million Dollars (\$4,000,000) each occurrence Umbrella Liability. Each such policy of insurance shall name the EDC as an additional insured.

- **Management Fee:** Operator will be entitled to retain thirty percent (30%) of all gross parking revenues. The remaining seventy percent (70%) will be transmitted to the EDC monthly.
- **Payment of Expenses:** All operating expenses shall be paid by the Operator. The EDC's sole responsibility shall be to make repairs related to capital improvements.
- Free consulting services for the parking lot capital improvements including: cash flow projections, cost benefit analysis to determine what lots to improve and the extent of improvements needed to maximize returns, and identification of demand.

A resolution was included with the Board material for consideration.

Ms. Pavelko advised that in response to Board members' concerns at the last meeting when this item was originally presented, she wanted to highlight three changes that were made to the original operating agreement. First, a maximum daily rate of \$20 was added. That would only be charged during events. Second, the actual daily or monthly rates that are charged to parkers would be recommended by the Operator, with the final approval of the rates by staff. Third, the adjacent empty lot owned and operated by MDNR would always be held as open to the public, except during popular events such as the Free Press Marathon and River Days, and that those events would be determined by EDC. The MDNR is actually happy about doing this because, since they have no mechanism to manage their parking facility, their employees and visitors often times don't have access to parking because it gets filled up by the special event parking, and then their employees can't park there.

Ms. Pavelko responded to Board members' questions regarding the location of the MDNR lot, the improvements to be made to the lots and how they relate to the future development of the property, and what efforts have been made to try to get GM to open their lots in the evenings to the public.

Subsequent to the discussion, the Board took the following action:

On a motion by Thomas Stallworth, seconded by Mr. Jackson, Resolution Code EDC 18-04-52-06 was approved, with Ms. Clayson opposed.

Ms. Bruhn stated that she appreciates the efforts made to address the Board's concerns, even though she doesn't believe they were totally addressed. She also thanked Ms. Pavelko for her presentation.

East Riverfront: Approval of Planning and Design Services for the EDC East Riverfront Properties

Ms. Pavelko advised that design planning services are also needed for the Riopelle View Corridor (the "View Corridor"). The View Corridor is a forty-foot section of property that runs parallel to Riopelle street on the east side of the Orleans Landing project and is part of the planned greenspace for the district. It is intended to provide for a permanent view corridor from Jefferson to the Detroit River. PDD and the Conservancy have been working on design plans, capital improvements and long-term maintenance plan for the green space in the East Riverfront District. The Riopelle View corridor is the only planned greenspace without a design concept.

EDC issued a public request for proposals for design and engineering services in the Fall of 2017. Based on the responses, EDC staff negotiated a scope of work for the services described in Exhibit A included in the Board material (the "Services") with the landscape architecture firm Spackman, Mossop, and Michaels. The firm has demonstrated its ability to provide creative and cost-effective solutions on projects such as the Fitzgerald Project in northwest Detroit and elsewhere in the country.

The EDC staff requested approval for the execution of a professional services agreement with Spackman, Mossop and Michaels for design services not to exceed Thirty-Five Thousand Five Hundred Dollars (\$35,500). A resolution was included for the Board's consideration.

Ms. Pavelko added that this agreement is for the design concept and through that concept, there will be a high-level budget created, as well as additional services will be needed for engineering and construction documents to do the improvements that are contemplated by the design.

Ms. Bruhn asked where the money will be coming from for the improvements. Ms. Navin responded that the money will be coming out of the East Riverfront Project Plan, which was funded in 2005 by money from the casinos.

Mr. Jackson questioned why we are making these improvements and not just leaving them as gravel lots. Ms. Pavelko stated that we are only looking at making one of the lots more permanent. In order to get a commercial development project permitted and approved through Building, Safety and Engineering, you must have a parking agreement in place. There aren't sufficient parking facilities on the riverfront for developers to enter into those agreements.

Subsequent to the discussion, the Board took the following action:

On a motion by Mr. Stallworth, seconded by Mr. Jackson, Resolution Code EDC 18-04-52-07 was approved, with Ms. Clayson opposed.

ADMINISTRATION

Report of Actions Taken Under the Delegation of Authority Resolution

Ms. Jensen reviewed the Delegation of Authority report for the month of March for the benefit of the Board and responded to questions.

Ms. Jensen advised that there was an error in the report. The base contract for James Feagan should be \$215,000 and the change order was in the amount of \$24,000. The Board questioned the term of Mr. Feagan's contract. Ms. Navin explained that this change order was on the original contract that expired December 31, 2018 and covered his services for the months of January and February 2018. The Board authorized a new contract beginning March 2018.

OTHER MATTERS

Ms. Bruhn questioned whether the East Riverfront design will come back to the Board for approval once the design is complete. Ms. Navin responded that typically, no, that is left up to the EDC staff. Ms. Bruhn said that she felt it was something to think about whether the Board should weigh in on final decisions like that that are impactful. Mr. Quarles responded that the Board approves the budget for the project and the DEGC hires the best and brightest talent and he doesn't feel that is the role of the Board to micro-manage projects. Mr. Jackson explained that the City Building Safety and Engineering Department will review the plan and it will receive professional vetting.

The Board requested an interim update on the East Riverfront parking situation as the plans develop, including the ratio of paid versus free parking.

PUBLIC COMMENT

ADJOURNMENT

With there being no further business to come before the Board, Mr. Quarles adjourned the meeting at 9:07 a.m.



Economic Development Corporation of the City of Detroit **CODE EDC 18-04-02-296**

APPROVAL OF MINUTES OF MARCH 13, 2018 REGULAR MEETING

RESOLVED, that the minutes of the Regular meeting of March 13, 2018 are hereby approved and all actions taken by the Directors present at such meeting, as set forth in such minutes, are hereby in all respects ratified and approved as actions of the Economic Development Corporation.

April 10, 2018



Economic Development Corporation of the City of Detroit

CODE EDC 18-04-03-224

ACCEPTANCE OF TREASURER'S REPORT FOR FEBRUARY 2018

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period ending February 28, 2018, as presented at this meeting, is hereby in all respects accepted as action of the Economic Development Corporation.

April 10, 2018



**EAST RIVERFRONT: APPROVAL OF PARKING MANAGEMENT SERVICES EDC
EAST RIVERFRONT PROPERTIES**

WHEREAS, in 2016, the Detroit Riverfront Conservancy ("DRFC") in partnership with the Economic Development Corporation of the City of Detroit ("EDC") and the City of Detroit's Planning and Development Department ("PDD") undertook a 10-month planning engagement in an effort to update the East Riverfront Plan, which resulted in the launch of the East Riverfront Framework ("Framework") in the Spring of 2017; and

WHEREAS, planned investments are adjacent to the approximately 9 acres owned by the EDC along Atwater, as depicted on Exhibit A (the "EDC Properties"); however, in the interim, the use of the properties as temporary parking will alleviate immediate parking needs and generate revenue for improvements; and

WHEREAS, EDC issued a public request for proposals for parking management services in the Fall of 2017 and staff recommends the selection of EZ Parking and Metro Valet (the "Operator"); and

WHEREAS, EDC staff is seeking the Board's approval to negotiate and enter into a short-term service agreement with the proposed Operator to provide parking management services on EDC property upon the following terms (the "Proposed Terms"):

- **Property:** Three properties totaling approximately 9 acres. Refer to Exhibit A.
- **Term of Lease:** The term of the lease shall be for a period of one (1) year (the "Initial Term"). The Initial Term shall continue on a quarterly basis.
- **Hours of Operation and Rates:** The Operator shall recommend the appropriate rates and hours subject to approval by EDC staff. The maximum rate will not exceed \$20. The parking adjacent to the Outdoor Adventure Center will be available for free public parking except for during major events such as festivals and concerts. Major events will be determined by EDC staff.
- **General Liability Insurance:** Operator shall maintain insurance at its own expense. Such insurance shall have limits of Two Million Dollars (\$2,000,000.00) per occurrence General Liability Insurance. Each such policy of insurance shall name the EDC as an additional insured.
- **Insurance required when providing valet services:** If or When valet services are required; Operator shall maintain insurance at its own expense. Operator will obtain One Million Two Hundred Thousand Dollars (\$1,200,000) per occurrence Garage Keepers Liability, One Million Dollars (\$1,000,000) each occurrence General Liability each occurrence and Four Million Dollars (\$4,000,000) each

occurrence Umbrella Liability. Each such policy of insurance shall name the EDC as an additional insured.

- **Management Fee:** Operator will be entitled to retain thirty percent (30%) of all gross parking revenues. The remaining seventy percent (70%) will be transmitted to the EDC on a monthly basis.
- **Payment of Expenses:** All operating expenses shall be paid by the Operator. The EDC's sole responsibility shall be to make repairs related to capital improvements.
- Free consulting services for the parking lot capital improvements including: cash flow projections, cost benefit analysis to determine what lots to improve and the extent of improvements needed to maximize returns, and identification of demand.

WHEREAS, the EDC Board of Directors has reviewed the Proposed Terms and determined they are consistent with the EDC's goal for the revitalization of the East Riverfront and are otherwise appropriate and consistent with the EDC's statutory purposes

NOW, THEREFORE, BE IT, RESOLVED, that the Proposed Terms are hereby approved.

BE IT FURTHER RESOLVED, that any two Officers, or any one of the Officers and any one of the Authorized Agents or any two of the EDC's Authorized Agents, shall hereafter have the authority to negotiate and execute a Service Agreement consistent with the Proposed Terms, together with such other terms and conditions that are determined by such Authorized Agents and/or Officers to be customary or appropriate and not inconsistent with this resolution, and to negotiate and execute all other documents, contracts, or papers, and take all actions, necessary or appropriate to implement the provisions and intent of this resolution on behalf of the EDC.

BE IT FINALLY RESOLVED, that all of the acts and transactions of any officer or authorized agent of the EDC, in the name and on behalf of the EDC, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

April 10, 2018



CODE EDC 18-04-52-07

Economic Development Corporation of the City of Detroit

**EAST RIVERFRONT: APPROVAL OF PROFESSIONAL CONSULTANT SERVICES
AGREEMENT FOR EAST RIVERFRONT PLANNING AND DESIGN SERVICES**

WHEREAS, in 2016, the Detroit Riverfront Conservancy ("DRFC") in partnership with the Economic Development Corporation of the City of Detroit (EDC) and the City of Detroit's Planning and Development Department ("PDD") undertook a 10-month planning engagement in an effort to update the East Riverfront Plan, which resulted in the launch of the East Riverfront Framework ("Framework") in the Spring of 2017; and

WHEREAS, planned investments are adjacent to the approximately 9 acres owned by the EDC along Atwater (the "EDC Properties"); however, in the interim, the use of the properties as temporary parking will alleviate immediate parking needs and generate revenue for improvements; and

WHEREAS, Design planning services are also needed for the Riopelle View Corridor (the "View Corridor") a forty-foot section of property running parallel to Riopelle street on the eastside of the Orleans Landing project is intended to provide for a permanent view corridor from Jefferson to the Detroit River; and

WHEREAS, PDD and the Conservancy have been working on design plans, capital improvements and long-term maintenance plan for the green space in the East Riverfront District; and

WHEREAS, in Fall of 2017, EDC issued a public request for proposals for design and engineering services for the Properties, a scope of work is attached as Exhibit A (the "Services"); and

WHEREAS, the EDC staff has requested approval for the execution of a professional services agreement with Spackman, Mossop and Michaels for the Services not to exceed Thirty-Five Thousand Five Hundred Dollars (\$35,500); and

WHEREAS, the EDC Board of Directors has reviewed the proposed Scope of Work for Services and contract and determined they are consistent with the EDC's goal for the revitalization of the East Riverfront and are otherwise appropriate and consistent with the EDC's statutory purposes.

NOW, THEREFORE, BE IT, RESOLVED, that the EDC Board of Directors hereby authorizes the execution of a Professional Services Agreement with Spackman, Mossop and Michaels for the provision of the Services for the aggregate amount not to exceed Thirty-Five Thousand Five Hundred Dollars (\$35,500) is hereby approved.

BE IT FURTHER RESOLVED, that any two Officers, or any one of the Officers and any one of the Authorized Agents or any two of the EDC's Authorized Agents, shall hereafter have the authority to negotiate and execute a Professional Services Agreement consistent with the above described terms; together with such other terms and conditions

that are determined by such Authorized Agents and/or Officers to be customary or appropriate and not inconsistent with this resolution, and to negotiate and execute all other documents, contracts, or papers, and take all actions, necessary or appropriate to implement the provisions and intent of this resolution on behalf of the EDC.

BE IT FINALLY RESOLVED, that all of the acts and transactions of any officer or authorized agent of the EDC, in the name and on behalf of the EDC, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

April 10, 2018